DIRECT TESTIMONY OF

ALLEN W. ROOKS

ON BEHALF OF

SOUTH CAROLINA ELECTRIC & GAS COMPANY

DOCKET NO. 2014-2-E

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND CURRENT POSITION.

A. My name is Allen W. Rooks. My business address is 220 Operation Way, Cayce, South Carolina 29033. I am Supervisor of Electric Pricing and Rate Administration at SCANA Services, Inc.

Q. DESCRIBE YOUR EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE.

A. I graduated from the University of South Carolina ("USC") in May 1995 with a Bachelor of Science Degree in Business Administration with a major in Management Science. In May 2002, I earned a Master of Business Administration Degree at USC. Since joining SCANA Corporation on a full-time basis in July 1996, I have held analytical positions within the Rates & Regulatory and Financial Planning Departments. I have participated in cost of service studies, rate development and design, financial planning and budgeting, rate surveys, responses to regulatory information requests, and rate evaluation

programs primarily for the Company's electric operations. I assumed my present position in July of 2007. I am a member of the Southeastern Electric Exchange Rates and Regulation Section and served as Chairman of the group during the 2013 calendar year.

Q. PLEASE BRIEFLY SUMMARIZE YOUR DUTIES WITH SOUTH CAROLINA ELECTRIC & GAS COMPANY ("SCE&G" OR "COMPANY").

A. I am responsible for designing and administering the Company's electric rates and tariffs to comply with regulatory orders and relevant state statutes. Supervising the calculation of the Electric Adjustment for Fuel and Variable Environmental Cost is an essential part of my responsibilities.

Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA ("COMMISSION")?

A. Yes, I have testified in each of the Company's Fuel Cost Proceedings since 2008.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to provide:

- The Company's currently approved electric fuel cost factors;
- Actual and Projected data on Base Fuel Costs and Collection for the period January 1, 2013, through April 30, 2015;
- Actual and Projected data on Variable Environmental Costs and Collection for the period January 1, 2013, through April 30, 2015; and
- The Company's proposed Base Fuel, Variable Environmental, and Total Fuel Cost Factors for retail customers for the period May 2014 through April 2015.

Q. WHAT ARE THE COMPANY'S CURRENTLY APPROVED ELECTRIC FUEL COST FACTORS?

A. On April 30, 2013, Commission Order No. 2013-244 approved a Base Fuel Component (F_C) of 3.278 cents per kilowatt-hour ("kWh") as well as Variable Environmental Cost Components (F_{EC}) of 0.079 cents per kWh for the Residential rate class, 0.066 cents per kWh for the Small General Service rate class, 0.055 cents per kWh for the Medium General Service rate class, and 0.036 cents per kWh for the Large General Service rate class.

The currently approved fuel components and Total Fuel Cost Factors by class are summarized in the table on the following page:

Class	Base Fuel Cost Component (cents/kWh)	Variable Environmental Cost Component (cents/kWh)	Total Fuel Cost Factor (cents/kWh)
Residential	**3.278**	**0.079**	**3.357**
Small General Service	**3.278**	**0.066**	**3.344**
Medium General Service	**3.278**	**0.055**	**3.333**
Large General Service	**3.278**	**0.036**	**3.314**
Lighting	**3.278**	**--**	**3.278**

BASE FUEL COST COMPONENT

Q. PLEASE BRIEFLY EXPLAIN THE TYPES OF COSTS THAT APPEAR IN THE BASE FUEL COST COMPONENT (F_C).

A. Base fuel costs include traditional fuel costs, such as the cost of coal, natural gas, oil, nuclear fuel, fuel transportation, and fuel costs related to purchased power that are used to supply electricity.

Q. PLEASE PROVIDE A SUMMARY OF THE COMPANY'S ACTUAL AND PROJECTED BASE FUEL COMPONENT COSTS.

A. Page 1 of Exhibit No. ___ (AWR-1) shows the actual totals for the Base Fuel Cost components and over/under recovery of fuel revenue experienced by the Company for the months of January 2013 through December 2013, as well as projections for January through April 2014. This exhibit shows the actual base fuel under-collected balance to be $60,307,192 at December 31, 2013, and the projected under-collected balance to be $54,348,153 at the end of April 2014.

Page 2 of Exhibit No. ___ (AWR-1) shows the Company's Base Fuel Component forecast and projected recovery calculations by month for the period May 2014 through April 2015. This page reflects the monthly and cumulative over and under projected fuel cost collection expected by the Company while using a Base Fuel Component of 3.325 cents per kWh. At the end of April 2015, the Company's projected under-collected balance is calculated to be $49,818,244.

Q. HAVE ANY CARRYING COSTS BEEN APPLIED TO UNDER-COLLECTED BASE FUEL COST BALANCES DURING THE ACTUAL PERIOD?

A. Yes. For the period of January 2013 through December 2013, carrying costs were calculated on the base fuel under-collected balance consistent with the provisions of Commission Order No. 2012-951 and Commission Order No. 2013-244. For the 2013 calendar year, $728,997 in carrying costs was applied to the Company's base fuel under-collected balance. Specific amounts by month can be seen on lines 12 and 28 of Exhibit No. ___ (AWR-1), pages 1 and 2.

Q. HOW ARE THE GAINS FROM THE SETTLEMENT OF INTEREST RATE SWAP CONTRACTS REFLECTED IN YOUR EXHIBITS?

A. As explained in the testimony of Witness Coffer, $41,645,809 was applied to reduce the retail base fuel under-collected balance in October 2013 business. This total is a part of line 29 Adjustments on Exhibit No. ___ (AWR-1), page 1. Based upon current projections, an additional $46.3 million will be applied to reduce the retail base fuel under-collected balance in April 2014 business. This amount is also included in the line 29 Adjustments shown on page 1 of Exhibit No. ___ (AWR-1). The summary effect of these two transactions would be a reduction to the retail base fuel cost under-collected balance of approximately $88 million.

VARIABLE ENVIRONMENTAL COST COMPONENT

Q. WHAT TYPES OF COSTS ARE INCLUDED IN THE VARIABLE ENVIRONMENTAL COST COMPONENT (F_{EC})?

A. In 2007, the General Assembly approved certain amendments to the Fuel Cost Recovery Statute (codified at S.C. Code Ann. § 58-27-865) which allowed for the recovery of certain variable environmental costs, such as ammonia, lime, limestone, urea, dibasic acid, and catalysts consumed in reducing or treating emissions as well as the cost of emission allowances for SO_2, NO_x, mercury, and particulates.

Q. PLEASE SUMMARIZE THE COMPANY'S ACTUAL AND PROJECTED VARIABLE ENVIRONMENTAL COMPONENT COSTS.

A. Exhibit No. ___ (AWR-2) shows the Company's actual variable environmental costs, the allocation of those costs to retail customer classes, the variable environmental cost-related revenue recovered by class, and the corresponding over/under recovery by month and on a cumulative basis for the months of January 2013 through December 2013. It also details projections for this same information during the months of January 2014 through April 2014. The cumulative under-collected balances projected at April 30, 2014, are $96,715 for the Residential rate class, $8,763 for the Small General Service rate class, $11,515 for the Medium General Service rate class, and $79,519 for the Large General Service rate class.

Exhibit No. ___ (AWR-3) shows the Company's forecasted variable environmental costs, the allocation of those costs to retail customer classes, forecasted sales data by class, and associated over/under recovery calculations for the period of May 2014 through April 2015 using the Variable Environmental Cost Component factors set forth in Commission Order No. 2013-244. Continuing these factors at their current levels produces a projected retail under-collection balance of $574,538 at April 30, 2015.

Q. PLEASE DISCUSS THE DEMAND ALLOCATIONS USED TO ALLOCATE VARIABLE ENVIRONMENTAL COSTS PRESENTED ON EXHIBIT NO. ___ (AWR-4).

A. To allocate variable environmental costs to customer classes, the Company uses the same four-hour-band Coincident Peak methodology that has been approved by this Commission for over 30 years. It is also the same methodology that the Commission approved for the allocation of SCE&G's variable environmental costs in its last five fuel cost proceedings.

The Company's Summer 2012 peak, which was used to allocate variable environmental costs during the actual period of January 2013 through December 2013, occurred on July 26, 2012. This peak demand data was adjusted during the actual period to reflect the expiration at the end of February 2013 of the Company's contract to supply electric service to Central Electric Power Cooperative. Also shown on Exhibit No. ___ (AWR-4) is the Summer 2013 peak which occurred on August 12, 2013, and was used to allocate variable environmental costs during the 2014-2015 forecast months. Variable environmental costs are distributed to customer classes appropriately in Exhibit Nos. ___ (AWR-2 and AWR-3) based on these peak demand allocations.

PROPOSED FUEL COST FACTORS

Q. WHAT IS THE COMPANY'S PROPOSAL FOR ITS FUEL COST FACTORS OVER THE NEXT TWELVE-MONTH PERIOD?

A. As explained in Company Witness Coffer's testimony, the Company proposes to adjust its Base Fuel Component by $0.00047 per kWh to $0.03325 per kWh for the period of May 2014 through April 2015. The Company also proposes to apply carrying costs to any Base Fuel under-collected balance during the same period. The interest rate to be applied to such balances would be the 3-year U.S. Government Treasury Note rate as reported by the Wall Street Journal, plus an all-in spread of 65 basis points (0.65 percentage points). The Base Fuel Component proposed above is shown on Exhibit No. ___ (AWR-5).

As shown in Exhibit No. ___ (AWR-3), the Company is proposing in this proceeding that the Variable Environmental Cost Components would remain the same during the May 2014 – April 2015 time period.

The resulting Total Fuel Cost Factors, as shown on Exhibit No. ___ (AWR-5) and presented in the table on the following page, would be:

Class	Base Fuel Cost Component (cents/kWh)	Variable Environmental Cost Component (cents/kWh)	Total Fuel Cost Factor (cents/kWh)
Residential	3.325	0.079	3.404
Small General Service	3.325	0.066	3.391
Medium General Service	3.325	0.055	3.380
Large General Service	3.325	0.036	3.361
Lighting	3.325	--	3.325

Q. DOES THE PROPOSED ADJUSTMENT IN THE BASE FUEL COMPONENT COMPLETELY ELIMINATE THE UNDER-COLLECTED FUEL COST BALANCE?

A. No. While the adjustment mitigates the under-collected base fuel cost balance by approximately $10.3 million, it does not completely eliminate the under-collected balance. The projected under-collected balance at the end of April 2015 would have been $60,098,519 if the Base Fuel Cost Component had remained the same. With the adjustment of $0.00047 per kWh in the Base Fuel Component, this balance is projected to be reduced to $49,818,244 as shown on page 2 of Exhibit No. ___ (AWR-1).

Q. WHAT IMPACT WOULD THE COMPANY'S PROPOSAL IN THIS PROCEEDING, ALONG WITH THE PROPOSAL IN DOCKET NO. 2014-88-E REGARDING THE COMPANY'S RIDER RELATED TO PENSION COSTS ("PENSION RIDER") HAVE ON A RETAIL ELECTRIC CUSTOMER'S BILL?

A. There will be no impact to any retail customer's total energy charges. Although the Company is proposing an increase to its fuel factor, the increase will be entirely offset by the corresponding proposed reduction in the Pension Rider in Docket No. 2014-88-E. For residential customers, the average monthly bill using 1,000 kWh would remain unchanged at $142.29.

Q. WHAT REQUESTS DOES THE COMPANY MAKE OF THE COMMISSION IN THIS PROCEEDING?

A. SCE&G respectfully requests that the Commission approve the tariff sheet entitled Adjustment for Fuel and Variable Environmental Costs which is submitted as Exhibit No. ___ (AWR-5), as well as the Base Fuel Component (F_C), Variable Environmental Cost Component (F_{EC}) and Total Fuel Rate shown therein. The Company also requests that these factors be effective for all retail electric customer classes for bills rendered on and after the first billing cycle of May 2014 and continuing through the billing month of April 2015.

Additionally, the Company respectfully requests that the Commission issue an order finding that during the review period SCE&G's fuel purchasing practices, plant operations, and fuel inventory management were reasonable and prudent.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
SUMMARY OF BASE FUEL COSTS
JANUARY 2013 - APRIL 2014

		Actual							
		Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Jul 2013	Aug 2013
1. Fossil Fuel Costs		$ 41,173,223	$ 38,231,765	$ 42,147,804	$ 38,566,114	$ 46,054,570	$ 63,014,844	$ 62,577,896	$ 36,695,610
2. Nuclear Fuel Costs		$ 5,449,518	$ 4,921,892	$ 3,878,064	$ 4,916,533	$ 5,460,445	$ 5,277,011	$ 5,456,540	$ 5,456,864
3. Fuel Costs in Purchased Power and Interchange Received		$ 16,180,602	$ 15,050,299	$ 20,858,394	$ 11,612,513	$ 11,311,363	$ 5,661,758	$ 9,718,226	$ 21,099,814
4. Less: Fuel Costs in Intersystem Sales		$ 2,274	$ 15,747	$ -	$ 3,948	$ 18,460	$ 3,977	$ 3,586	$ 4,630
5. Total Fuel Costs (Lines 1+2+3-4)		$ 62,801,069	$ 58,188,209	$ 66,884,262	$ 55,091,212	$ 62,807,918	$ 73,949,636	$ 77,749,076	$ 63,247,658
6. Total System Sales Excluding Intersystem Sales (kWh)		1,865,657,854	1,794,139,747	1,722,396,140	1,760,122,420	1,695,991,574	1,899,099,201	2,203,028,531	2,197,481,415
7. Total Fuel Cost Per kWh Sales		$ 0.033662	$ 0.032432	$ 0.038832	$ 0.031300	$ 0.037033	$ 0.038939	$ 0.035292	$ 0.028782
8. Less Base Fuel Cost Per kWh Included in Rates		(see footnote 1)	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278
9. Fuel Adjustment Per kWh		(see footnote 1)	$ (0.00035)	$ 0.00605	$ (0.00148)	$ 0.00425	$ 0.00616	$ 0.00251	$ (0.00400)
10. Retail kWh Sales		1,771,386,728	1,703,049,696	1,637,984,714	1,690,441,552	1,619,519,587	1,813,637,075	2,120,157,001	2,108,591,223
11. Over / Under Recovery Revenue [1]		$ (474,443)	$ (596,067)	$ 9,909,808	$ (2,501,853)	$ 6,882,958	$ 11,172,004	$ 5,321,594	$ (8,434,365)
12. Carrying Costs		$ 56,082	$ 52,502	$ 57,081	$ 55,575	$ 68,661	$ 82,905	$ 84,153	$ 85,901
13. Fixed Capacity Charges & Adjustments		$ 1,481,964	$ (1,583,583)	$ (2,017,547)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)
14. Unbilled Fuel Cost Recovery Adjustment		$ 4,704,669	$ 1,733,578	$ (2,739,529)	$ 5,156,524	$ (3,049,411)	$ (5,300,208)	$ 1,085,079	$ 855,127
15. Net Over / Under Recovery Revenue		$ 5,768,272	$ (393,570)	$ 5,209,813	$ 1,126,663	$ 2,318,625	$ 4,371,118	$ 4,907,243	$ (9,076,920)
16. Cumulative (Over) Under Balance	$ 82,500,782	$ 88,269,054	$ 87,875,484	$ 93,085,297	$ 94,211,960	$ 96,530,585	$ 100,901,703	$ 105,808,946	$ 96,732,026

	Actual				Forecast			
	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014
17. Fossil Fuel Costs	$ 45,868,958	$ 31,104,976	$ 36,400,423	$ 41,191,251	$ 62,642,535	$ 45,453,000	$ 44,074,000	$ 44,658,000
18. Nuclear Fuel Costs	$ 5,293,141	$ 5,477,260	$ 5,302,159	$ 5,477,444	$ 5,475,201	$ 4,865,000	$ 5,390,000	$ 703,000
19. Fuel Costs in Purchased Power and Interchange Received	$ 17,009,576	$ 18,663,574	$ 19,650,196	$ 16,343,771	$ 29,739,869	$ 13,909,000	$ 9,097,000	$ 19,956,000
20. Less: Fuel Costs in Intersystem Sales	$ 4,227	$ 6,769	$ 2,367	$ -	$ 3,609	$ 333,000	$ 256,000	$ 145,000
21. Total Fuel Costs (Lines 1+2+3-4)	$ 68,167,448	$ 55,239,041	$ 61,350,411	$ 63,012,466	$ 97,853,996	$ 63,894,000	$ 58,305,000	$ 65,172,000
22. Total System Sales Excluding Intersystem Sales (kWh)	2,029,480,608	1,809,018,623	1,561,589,683	1,824,891,427	2,028,706,664	1,885,500,000	1,718,700,000	1,634,900,000
23. Total Fuel Cost Per kWh Sales	$ 0.033589	$ 0.030535	$ 0.039287	$ 0.034529	$ 0.048235	$ 0.033887	$ 0.033924	$ 0.039863
24. Less Base Fuel Cost Per kWh Included in Rates	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278	$ 0.03278
25. Fuel Adjustment Per kWh	$ 0.00081	$ (0.00225)	$ 0.00651	$ 0.00175	$ 0.01546	$ 0.00111	$ 0.00114	$ 0.00708
26. Retail kWh Sales	1,949,448,368	1,735,326,105	1,486,382,087	1,749,817,495	1,937,396,394	1,809,800,000	1,643,100,000	1,563,900,000
27. Over / Under Recovery Revenue	$ 1,579,053	$ (3,904,484)	$ 9,676,347	$ 3,062,181	$ 29,952,148	$ 2,008,878	$ 1,873,134	$ 11,072,412
28. Carrying Costs [2]	$ 79,192	$ 31,131	$ 33,421	$ 42,393	$ 64,837	$ 75,568	$ 76,730	$ 32,944
29. Fixed Capacity Charges & Adjustments	$ (1,583,583)	$ (43,229,392)	$ (1,583,583)	$ (1,509,264)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (47,883,583)
30. Unbilled Fuel Cost Recovery Adjustment	$ 2,817,063	$ 2,549,899	$ (5,236,297)	$ 751,089	$ (5,340,570)	$ 9,273,672	$ 692,145	$ (3,106,605)
31. Net Over / Under Recovery Revenue	$ 2,891,725	$ (44,552,846)	$ 2,889,888	$ 2,346,399	$ 23,092,832	$ 9,774,535	$ 1,058,426	$ (39,884,832)
32. Cumulative (Over) Under Balance	$ 99,623,751	$ 55,070,905	$ 57,960,793	$ 60,307,192	$ 83,400,024	$ 93,174,559	$ 94,232,985	$ 54,348,153

[1] Monthly Over / Under Recovery Revenue for Base Fuel Cost is prorated for the month of January 2013 based upon PSC Order No. 2012-951, Docket No. 2012-218-E.

[2] Forecasted Carrying Costs are calculated per the requirements of PSC Order No. 2012-951 and Order No. 2013-244 using the 3-Year Treasury Note Rate at 1/31/2014 plus 65 Basis Points.

EXHIBIT NO. ___ (AWR-1)

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
SUMMARY OF BASE FUEL COSTS
MAY 2014 - APRIL 2015

		Forecast					
		May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014
1. Fossil Fuel Costs		$ 39,744,000	$ 50,874,000	$ 56,436,000	$ 55,304,000	$ 45,255,000	$ 36,518,000
2. Nuclear Fuel Costs		$ 1,289,000	$ 4,713,000	$ 4,868,000	$ 4,868,000	$ 4,713,000	$ 4,982,000
3. Fuel Costs in Purchased Power and Interchange Received		$ 19,797,000	$ 16,856,000	$ 18,546,000	$ 18,373,000	$ 17,396,000	$ 18,004,000
4. Less: Fuel Costs in Intersystem Sales		$ 182,000	$ 183,000	$ 146,000	$ 109,000	$ 146,000	$ 184,000
5. Total Fuel Costs (Lines 1+2+3-4)		$ 60,648,000	$ 72,260,000	$ 79,704,000	$ 78,436,000	$ 67,218,000	$ 59,320,000
6. Total System Sales Excluding Intersystem Sales (kWh)		1,718,400,000	2,027,100,000	2,250,100,000	2,200,700,000	2,065,000,000	1,777,100,000
7. Total Fuel Cost Per kWh Sales		$ 0.035293	$ 0.035647	$ 0.035422	$ 0.035641	$ 0.032551	$ 0.033380
8. Less Base Fuel Cost Per kWh Included in Rates		$ 0.03325	$ 0.03325	$ 0.03325	$ 0.03325	$ 0.03325	$ 0.03325
9. Fuel Adjustment Per kWh		$ 0.00204	$ 0.00240	$ 0.00217	$ 0.00239	$ (0.00070)	$ 0.00013
10. Retail kWh Sales		1,639,300,000	1,937,600,000	2,156,600,000	2,106,200,000	1,984,500,000	1,706,200,000
11. Over / Under Recovery Revenue		$ 3,344,172	$ 4,650,240	$ 4,679,822	$ 5,033,818	$ (1,389,150)	$ 221,806
12. Carrying Costs [1]		$ 57,703	$ 56,657	$ 60,743	$ 62,670	$ 65,639	$ 68,405
13. Fixed Capacity Charges & Adjustments		$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)
14. Unbilled Fuel Cost Recovery Adjustment		$ (3,603,899)	$ (4,075,741)	$ 564,942	$ (1,758,050)	$ 5,612,034	$ 3,812,920
15. Net Over / Under Recovery Revenue		$ (1,785,607)	$ (952,427)	$ 3,721,924	$ 1,754,855	$ 2,704,940	$ 2,519,548
16. Cumulative (Over) Under Balance	$ 54,348,153	$ 52,562,546	$ 51,610,119	$ 55,332,043	$ 57,086,898	$ 59,791,838	$ 62,311,386

		Forecast					
		Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015
17. Fossil Fuel Costs		$ 38,460,000	$ 42,921,000	$ 41,383,000	$ 38,414,000	$ 38,587,000	$ 30,353,000
18. Nuclear Fuel Costs		$ 4,816,000	$ 4,982,000	$ 4,982,000	$ 4,497,000	$ 4,982,000	$ 4,816,000
19. Fuel Costs in Purchased Power and Interchange Received		$ 13,082,000	$ 16,327,000	$ 16,494,000	$ 13,949,000	$ 16,809,000	$ 14,715,000
20. Less: Fuel Costs in Intersystem Sales		$ 302,000	$ 386,000	$ 381,000	$ 298,000	$ 129,000	$ 64,000
21. Total Fuel Costs (Lines 1+2+3-4)		$ 56,056,000	$ 63,844,000	$ 62,478,000	$ 56,562,000	$ 60,249,000	$ 49,820,000
22. Total System Sales Excluding Intersystem Sales (kWh)		1,556,800,000	1,809,500,000	2,018,500,000	1,887,700,000	1,726,600,000	1,644,600,000
23. Total Fuel Cost Per kWh Sales		$ 0.036007	$ 0.035283	$ 0.030953	$ 0.029963	$ 0.034895	$ 0.030293
24. Less Base Fuel Cost Per kWh Included in Rates		$ 0.03325	$ 0.03325	$ 0.03325	$ 0.03325	$ 0.03325	$ 0.03325
25. Fuel Adjustment Per kWh		$ 0.00276	$ 0.00203	$ (0.00230)	$ (0.00329)	$ 0.00165	$ (0.00296)
26. Retail kWh Sales		1,486,100,000	1,728,200,000	1,931,500,000	1,812,000,000	1,650,900,000	1,573,900,000
27. Over / Under Recovery Revenue		$ 4,101,636	$ 3,508,246	$ (4,442,450)	$ (5,961,480)	$ 2,723,985	$ (4,658,744)
28. Carrying Costs [1]		$ 67,461	$ 66,743	$ 59,256	$ 57,677	$ 59,782	$ 54,690
29. Fixed Capacity Charges & Adjustments		$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)	$ (1,583,583)
30. Unbilled Fuel Cost Recovery Adjustment		$ (3,445,041)	$ (2,645,609)	$ (853,323)	$ 6,049,240	$ 716,748	$ 1,549,539
31. Net Over / Under Recovery Revenue		$ (859,527)	$ (654,203)	$ (6,820,100)	$ (1,438,146)	$ 1,916,932	$ (4,638,098)
32. Cumulative (Over) Under Balance		$ 61,451,859	$ 60,797,656	$ 53,977,556	$ 52,539,410	$ 54,456,342	$ 49,818,244

[1] Forecasted Carrying Costs are calculated using the 3-Year Treasury Note Rate at 1/31/2014 plus 65 Basis Points.

EXHIBIT NO. ___ (AWR-1)

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
SUMMARY OF VARIABLE ENVIRONMENTAL COSTS
JANUARY 2013 - APRIL 2014

	Balance of Costs @ 12/31/2012	Actual Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Jul 2013	Aug 2013	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Forecasted Jan 2014	Feb 2014	Mar 2014	Apr 2014	Balance of Costs @ 4/30/2014
Variable Environmental Costs																		
1. SO2 Allowances		$ 21,783	$ 17,221	$ 42,700	$ 14,085	$ 28,734	$ 90,739	$ 69,214	$ 53,973	$ 56,617	$ 40,819	$ 88,924	$ 101,981	$ 29,474	$ 14,903	$ 6,848	$ 10,763	
2. NOx Allowances		$ -	$ (33)	$ -	$ -	$ 537	$ 970	$ 997	$ 683	$ 628	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
3. Lime		$ 960,611	$ 777,528	$ 396,055	$ 491,584	$ 737,394	$ 675,055	$ 561,313	$ 646,263	$ 509,272	$ 725,124	$ 705,362	$ 646,240	$ 693,351	$ 748,734	$ 843,696	$ 584,351	
4. Ammonia		$ 261,614	$ 349,199	$ 415,771	$ 268,907	$ 401,684	$ 240,285	$ 168,132	$ 470,777	$ 308,542	$ 250,206	$ 298,810	$ 398,190	$ 231,994	$ 307,219	$ 256,370	$ 355,406	
5. Environmental Costs Recovered in Intersystem Sales		$ (8)	$ (572)	$ -	$ (1)	$ (184)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (1)	$ (220)	$ (220)	$ (220)	
6. Net Environmental Costs		$ 1,244,000	$ 1,143,443	$ 854,525	$ 774,576	$ 1,168,165	$ 1,007,049	$ 799,657	$ 1,171,696	$ 875,058	$ 1,016,150	$ 1,093,096	$ 1,146,411	$ 954,818	$ 1,070,636	$ 1,106,694	$ 950,300	
Demand Allocations																		
7. Residential		46.29%	46.29%	46.59%	46.59%	46.59%	46.59%	46.59%	46.59%	46.59%	46.59%	46.59%	46.59%	45.06%	45.06%	45.06%	45.06%	
8. Small General Service		17.39%	17.39%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.76%	17.76%	17.76%	17.76%	
9. Medium General Service		10.20%	10.20%	10.27%	10.27%	10.27%	10.27%	10.27%	10.27%	10.27%	10.27%	10.27%	10.27%	10.26%	10.26%	10.26%	10.26%	
10. Large General Service		21.74%	21.74%	21.89%	21.89%	21.89%	21.89%	21.89%	21.89%	21.89%	21.89%	21.89%	21.89%	23.53%	23.53%	23.53%	23.53%	
Retail Environmental Cost Allocation																		
11. Residential		$ 575,848	$ 529,300	$ 398,123	$ 360,875	$ 544,248	$ 469,184	$ 372,560	$ 545,893	$ 407,690	$ 473,424	$ 509,273	$ 534,113	$ 430,241	$ 482,429	$ 498,676	$ 428,205	
12. Small General Service		$ 216,332	$ 198,845	$ 149,542	$ 135,551	$ 204,429	$ 176,234	$ 139,940	$ 205,047	$ 153,135	$ 177,826	$ 191,292	$ 200,622	$ 169,576	$ 190,145	$ 196,549	$ 168,773	
13. Medium General Service		$ 126,888	$ 116,631	$ 87,760	$ 79,549	$ 119,971	$ 103,424	$ 82,125	$ 120,333	$ 89,868	$ 104,359	$ 112,261	$ 117,736	$ 97,964	$ 109,847	$ 113,547	$ 97,501	
14. Large General Service		$ 270,446	$ 248,585	$ 187,056	$ 169,555	$ 255,711	$ 220,443	$ 175,045	$ 256,484	$ 191,550	$ 222,435	$ 239,279	$ 250,949	$ 224,669	$ 251,921	$ 260,405	$ 223,606	
15. Net Environmental Cost Allocation		$ 1,189,514	$ 1,093,361	$ 822,481	$ 745,530	$ 1,124,359	$ 969,285	$ 769,670	$ 1,127,757	$ 842,243	$ 978,044	$ 1,052,105	$ 1,103,420	$ 922,450	$ 1,034,342	$ 1,069,177	$ 918,085	
Class Sales (In kWh)																		
16. Residential		677,287,608	646,267,835	607,142,463	560,755,459	470,113,044	625,736,867	804,702,557	801,066,481	709,359,600	531,375,261	445,289,428	634,426,958	792,690,456	720,800,000	568,400,000	479,100,000	
17. Small General Service		252,265,205	252,133,293	237,452,441	251,673,699	246,666,298	276,708,117	323,005,144	326,912,683	306,804,775	275,923,722	221,973,203	252,512,059	276,191,924	267,500,000	236,100,000	235,800,000	
18. Medium General Service		184,272,496	177,050,388	162,384,346	186,844,430	188,289,722	197,793,674	229,029,202	225,888,991	207,369,100	197,973,744	163,890,826	179,677,859	184,155,493	169,800,000	163,000,000	173,700,000	
19. Large General Service		633,912,153	603,936,513	607,321,919	667,452,005	690,748,467	689,659,740	739,606,716	730,964,950	702,189,817	703,323,382	626,836,471	654,744,696	655,830,800	627,200,000	650,600,000	650,600,000	
Environmental Factors (per kWh)																		
20. Residential		$ 0.00093	$ 0.00093	$ 0.00093	$ 0.00093	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	
21. Small General Service		$ 0.00087	$ 0.00087	$ 0.00087	$ 0.00087	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	
22. Medium General Service		$ 0.00069	$ 0.00069	$ 0.00069	$ 0.00069	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	
23. Large General Service		$ 0.00043	$ 0.00043	$ 0.00043	$ 0.00043	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	
Environmental Revenue Recovered																		
24. Residential		$ 629,877	$ 601,029	$ 564,642	$ 521,503	$ 371,389	$ 494,332	$ 635,715	$ 632,843	$ 560,394	$ 419,786	$ 351,779	$ 501,197	$ 626,225	$ 569,432	$ 449,036	$ 378,489	
25. Small General Service		$ 219,471	$ 219,356	$ 206,584	$ 218,956	$ 162,800	$ 182,627	$ 213,183	$ 215,762	$ 202,491	$ 182,110	$ 146,502	$ 166,658	$ 182,287	$ 176,550	$ 155,826	$ 155,628	
26. Medium General Service		$ 127,148	$ 122,165	$ 112,045	$ 128,923	$ 103,559	$ 108,787	$ 125,966	$ 124,239	$ 114,053	$ 108,886	$ 90,140	$ 98,823	$ 101,286	$ 93,390	$ 89,650	$ 95,535	
27. Large General Service		$ 272,582	$ 259,693	$ 261,148	$ 287,004	$ 248,669	$ 248,278	$ 266,258	$ 263,147	$ 252,788	$ 253,196	$ 225,661	$ 235,708	$ 236,099	$ 225,792	$ 234,216	$ 234,216	
28. Total Environmental Revenue		$ 1,249,078	$ 1,202,243	$ 1,144,419	$ 1,156,386	$ 886,417	$ 1,034,024	$ 1,241,122	$ 1,235,991	$ 1,129,726	$ 963,978	$ 814,082	$ 1,002,386	$ 1,145,897	$ 1,065,164	$ 928,728	$ 863,868	
Env. & Unbilled Fuel Cost Adjustments																		
29. Residential		$ 37,805	$ 24,444	$ (40,287)	$ (47,514)	$ (29,452)	$ (76,618)	$ 12,176	$ 10,901	$ 32,809	$ 24,986	$ (51,688)	$ 6,278	$ (64,190)	$ 110,953	$ 9,259	$ (24,247)	
30. Small General Service		$ 13,172	$ 8,921	$ (14,784)	$ (13,526)	$ (12,911)	$ (26,422)	$ 4,083	$ 3,717	$ 11,855	$ 10,840	$ (21,526)	$ 2,087	$ (18,685)	$ 34,401	$ 3,213	$ (9,970)	
31. Medium General Service		$ 7,631	$ 4,968	$ (8,090)	$ (7,292)	$ (8,213)	$ (16,869)	$ 2,413	$ 2,140	$ 6,677	$ 6,481	$ (13,245)	$ 1,238	$ (10,382)	$ 18,197	$ 1,849	$ (6,120)	
32. Large General Service		$ 16,360	$ 10,561	$ (18,666)	$ (15,223)	$ (19,721)	$ (37,870)	$ 5,100	$ 4,533	$ 14,800	$ 15,071	$ (33,157)	$ 2,952	$ (24,201)	$ 43,995	$ 4,830	$ (15,004)	
33. Net Environmental Cost Adjustments		$ 74,968	$ 48,894	$ (81,827)	$ (83,555)	$ (70,297)	$ (159,779)	$ 23,772	$ 21,291	$ 66,141	$ 57,378	$ (119,616)	$ 12,555	$ (117,458)	$ 207,546	$ 19,151	$ (55,341)	
Environmental (Over)/Under Recovery																		
34. Residential	$ 908,686	$ (16,224)	$ (47,285)	$ (206,806)	$ (208,142)	$ 143,407	$ (101,766)	$ (250,979)	$ (76,049)	$ (119,895)	$ 78,624	$ 105,806	$ 39,194	$ (260,174)	$ 23,950	$ 58,899	$ 25,469	$ 96,715
35. Small General Service	$ 169,251	$ 10,033	$ (11,590)	$ (71,826)	$ (96,931)	$ 28,718	$ (34,815)	$ (69,160)	$ (6,998)	$ (37,501)	$ 6,556	$ 23,264	$ 36,051	$ (31,396)	$ 47,996	$ 43,936	$ 3,175	$ 8,763
36. Medium General Service	$ 94,963	$ 7,371	$ (566)	$ (32,375)	$ (56,666)	$ 8,199	$ (22,232)	$ (41,428)	$ (1,765)	$ (17,508)	$ 1,954	$ 8,876	$ 20,151	$ (13,704)	$ 34,654	$ 25,746	$ (4,154)	$ 11,515
37. Large General Service	$ 481,475	$ 14,224	$ (547)	$ (92,758)	$ (132,672)	$ (12,679)	$ (65,705)	$ (86,113)	$ (2,130)	$ (46,438)	$ (15,690)	$ (19,539)	$ 18,193	$ (35,631)	$ 70,124	$ 31,019	$ (25,614)	$ 79,519
38. Total (Over)/Under Recovery		$ 15,404	$ (59,988)	$ (403,765)	$ (494,411)	$ 167,645	$ (224,518)	$ (447,680)	$ (86,943)	$ (221,342)	$ 71,444	$ 118,407	$ 113,589	$ (340,905)	$ 176,724	$ 159,600	$ (1,124)	$ 196,512
39. Cumulative (Over)/Under Recovery	$ 1,654,375	$ 1,669,779	$ 1,609,791	$ 1,206,026	$ 711,615	$ 879,260	$ 654,742	$ 207,062	$ 120,119	$ (101,223)	$ (29,779)	$ 88,628	$ 202,217	$ (138,688)	$ 38,036	$ 197,636	$ 196,512	

EXHIBIT NO. ___ (AWR-2)

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
SUMMARY OF VARIABLE ENVIRONMENTAL COSTS
MAY 2014 - APRIL 2015

	Balance of Costs @4/30/2014	Forecasted May 2014	Jun 2014	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015	Balance of Costs @4/30/2015
Variable Environmental Costs														
1. SO2 Allowances		$ 15,050	$ 14,390	$ 16,143	$ 15,016	$ 13,897	$ 12,258	$ 12,706	$ 12,838	$ 9,120	$ 7,502	$ 5,136	$ 3,637	
2. NOx Allowances		$ 469	$ 449	$ 513	$ 484	$ 400	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
3. Lime		$ 769,334	$ 680,123	$ 751,880	$ 810,351	$ 650,267	$ 709,349	$ 599,352	$ 563,804	$ 1,081,167	$ 890,612	$ 778,054	$ 279,816	
4. Ammonia		$ 542,563	$ 408,130	$ 400,794	$ 593,568	$ 352,503	$ 271,092	$ 239,482	$ 364,345	$ 354,830	$ 354,258	$ 370,420	$ 273,494	
5. Environmental Costs Recovered in Intersystem Sales		$ (280)	$ (360)	$ (480)	$ (420)	$ (260)	$ (90)	$ (160)	$ (160)	$ (80)	$ (190)	$ (190)	$ (190)	
6. Net Environmental Costs		$ 1,327,156	$ 1,102,732	$ 1,168,850	$ 1,418,999	$ 1,016,807	$ 992,609	$ 851,380	$ 940,827	$ 1,445,037	$ 1,252,182	$ 1,153,420	$ 556,757	
Demand Allocations														
7. Residential		45.06%	45.06%	45.06%	45.06%	45.06%	45.06%	45.06%	45.06%	45.06%	45.06%	45.06%	45.06%	
8. Small General Service		17.76%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%	17.76%	
9. Medium General Service		10.26%	10.26%	10.26%	10.26%	10.26%	10.26%	10.26%	10.26%	10.26%	10.26%	10.26%	10.26%	
10. Large General Service		23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	23.53%	
Retail Environmental Cost Allocation														
11. Residential		$ 598,016	$ 496,891	$ 526,684	$ 639,401	$ 458,173	$ 447,270	$ 383,632	$ 423,937	$ 651,134	$ 564,233	$ 519,731	$ 250,875	
12. Small General Service		$ 235,703	$ 195,845	$ 207,588	$ 252,014	$ 180,585	$ 176,287	$ 151,205	$ 167,091	$ 256,639	$ 222,388	$ 204,847	$ 98,880	
13. Medium General Service		$ 136,166	$ 113,140	$ 119,924	$ 145,589	$ 104,324	$ 101,842	$ 87,352	$ 96,529	$ 148,261	$ 128,474	$ 118,341	$ 57,123	
14. Large General Service		$ 312,280	$ 259,473	$ 275,030	$ 333,890	$ 239,255	$ 233,561	$ 200,330	$ 221,377	$ 340,017	$ 294,638	$ 271,400	$ 131,005	
15. Net Environmental Cost Allocation		$ 1,282,165	$ 1,065,349	$ 1,129,226	$ 1,370,894	$ 982,337	$ 958,960	$ 822,519	$ 908,934	$ 1,396,051	$ 1,209,733	$ 1,114,319	$ 537,883	
Allocation of Unbilled Fuel Cost Adj.														
16. Residential		$ (34,549)	$ (39,036)	$ 5,625	$ (17,973)	$ 54,091	$ 37,287	$ (32,699)	$ (24,954)	$ (8,589)	$ 58,769	$ 5,950	$ 5,716	
17. Small General Service		$ (13,617)	$ (15,385)	$ 2,217	$ (7,084)	$ 21,319	$ 14,696	$ (12,888)	$ (9,836)	$ (3,385)	$ 23,163	$ 2,345	$ 2,253	
18. Medium General Service		$ (7,867)	$ (8,888)	$ 1,281	$ (4,093)	$ 12,316	$ 8,490	$ (7,445)	$ (5,682)	$ (1,956)	$ 13,381	$ 1,355	$ 1,301	
19. Large General Service		$ (18,041)	$ (20,384)	$ 2,938	$ (9,386)	$ 28,245	$ 19,471	$ (17,075)	$ (13,031)	$ (4,485)	$ 30,689	$ 3,107	$ 2,985	
20. Unbilled Fuel Adjustment		$ (74,074)	$ (83,693)	$ 12,061	$ (38,536)	$ 115,971	$ 79,944	$ (70,107)	$ (53,503)	$ (18,415)	$ 126,002	$ 12,757	$ 12,255	
Total Environmental Cost by Class														
21. Residential		$ 563,467	$ 457,855	$ 532,309	$ 621,428	$ 512,264	$ 484,557	$ 350,933	$ 398,983	$ 642,545	$ 623,002	$ 525,681	$ 256,591	
22. Small General Service		$ 222,086	$ 180,460	$ 209,805	$ 244,930	$ 201,904	$ 190,983	$ 138,317	$ 157,255	$ 253,254	$ 245,551	$ 207,192	$ 101,133	
23. Medium General Service		$ 128,299	$ 104,252	$ 121,205	$ 141,496	$ 116,640	$ 110,332	$ 79,907	$ 90,847	$ 146,305	$ 141,855	$ 119,696	$ 58,424	
24. Large General Service		$ 294,239	$ 239,089	$ 277,968	$ 324,504	$ 267,500	$ 253,032	$ 183,255	$ 208,346	$ 335,532	$ 325,327	$ 274,507	$ 133,990	
25. Unbilled Fuel Adjustment		$ 1,208,091	$ 981,656	$ 1,141,287	$ 1,332,358	$ 1,098,308	$ 1,038,904	$ 752,412	$ 855,431	$ 1,377,636	$ 1,335,735	$ 1,127,076	$ 550,138	
Class Sales (In kWh)														
26. Residential		495,400,000	677,600,000	827,300,000	804,600,000	716,700,000	526,000,000	444,500,000	640,700,000	793,100,000	712,900,000	566,400,000	479,000,000	
27. Small General Service		248,600,000	293,900,000	324,500,000	318,000,000	308,400,000	270,700,000	214,400,000	242,900,000	279,200,000	269,600,000	237,600,000	238,600,000	
28. Medium General Service		187,700,000	227,000,000	231,600,000	221,000,000	213,500,000	196,500,000	165,100,000	172,400,000	176,900,000	168,300,000	161,400,000	172,200,000	
29. Large General Service		683,500,000	714,500,000	748,200,000	737,500,000	720,000,000	687,500,000	635,900,000	646,100,000	657,200,000	635,900,000	659,700,000	658,400,000	
Environmental Factors (per kWh)														
30. Residential		$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	$ 0.00079	
31. Small General Service		$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	$ 0.00066	
32. Medium General Service		$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	$ 0.00055	
33. Large General Service		$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	$ 0.00036	
Environmental Revenue Recovered														
34. Residential		$ 391,366	$ 535,304	$ 653,567	$ 635,634	$ 566,193	$ 415,540	$ 351,155	$ 506,153	$ 626,549	$ 563,191	$ 447,456	$ 378,410	
35. Small General Service		$ 164,076	$ 193,974	$ 214,170	$ 209,880	$ 203,544	$ 178,662	$ 141,504	$ 160,314	$ 184,272	$ 177,936	$ 156,816	$ 157,476	
36. Medium General Service		$ 103,235	$ 124,850	$ 127,380	$ 121,550	$ 117,425	$ 108,075	$ 90,805	$ 94,820	$ 97,295	$ 92,565	$ 88,770	$ 94,710	
37. Large General Service		$ 246,060	$ 257,220	$ 269,352	$ 265,500	$ 259,200	$ 247,500	$ 228,924	$ 232,596	$ 236,592	$ 228,924	$ 237,492	$ 237,024	
38. Total Environmental Revenue		$ 904,737	$ 1,111,348	$ 1,264,469	$ 1,232,564	$ 1,146,362	$ 949,777	$ 812,388	$ 993,883	$ 1,144,708	$ 1,062,616	$ 930,534	$ 867,620	
Environmental (Over)/Under Recovery														
39. Residential	$ 96,715	$ 172,101	$ (77,449)	$ (121,258)	$ (14,206)	$ (53,929)	$ 69,017	$ (222)	$ (107,170)	$ 15,996	$ 59,811	$ 78,225	$ (121,819)	$ (4,188)
40. Small General Service	$ 8,763	$ 58,010	$ (13,514)	$ (4,365)	$ 35,050	$ (1,640)	$ 12,321	$ (3,187)	$ (3,059)	$ 68,982	$ 67,615	$ 50,376	$ (56,343)	$ 219,009
41. Medium General Service	$ 11,515	$ 25,064	$ (20,598)	$ (6,175)	$ 19,946	$ (785)	$ 2,257	$ (10,898)	$ (3,973)	$ 49,010	$ 49,290	$ 30,926	$ (36,286)	$ 109,293
42. Large General Service	$ 79,519	$ 48,179	$ (18,131)	$ 8,616	$ 59,004	$ 8,300	$ 5,532	$ (45,669)	$ (24,250)	$ 98,940	$ 96,403	$ 37,015	$ (103,034)	$ 250,424
43. Total (Over)/Under Recovery		$ 303,354	$ (129,692)	$ (123,182)	$ 99,794	$ (48,054)	$ 89,127	$ (59,976)	$ (138,452)	$ 232,928	$ 273,119	$ 196,542	$ (317,482)	$ 574,538
44. Cumulative (Over)/Under Recovery	$ 196,512	$ 499,866	$ 370,174	$ 246,992	$ 346,786	$ 298,732	$ 387,859	$ 327,883	$ 189,431	$ 422,359	$ 695,478	$ 892,020	$ 574,538	

EXHIBIT NO.___ (AWR-3)

SOUTH CAROLINA ELECTRIC AND GAS COMPANY
SUMMARY OF DEMAND ALLOCATION FACTORS FOR VARIABLE ENVIRONMENTAL COSTS
JANUARY 2013 - APRIL 2015

Demand Allocation Factors

	Summer, 2012 Coincident Peak [1]		Summer, 2012 Coincident Peak [2]		Summer, 2013 Coincident Peak [3]	
	KW	CP%	KW	CP%	KW	CP%
1. Residential	2,113,273	46.29%	2,113,273	46.59%	1,917,590	45.06%
2. Small General Service	793,968	17.39%	793,968	17.50%	755,808	17.76%
3. Medium General Service	465,667	10.20%	465,667	10.27%	436,446	10.26%
4. Large General Service	992,796	21.74%	992,796	21.89%	1,001,425	23.53%
5. Wholesale	200,127	4.38%	169,921	3.75%	144,138	3.39%
6. Total	4,565,831		4,535,625		4,255,407	

[1] - Used to allocate actual Variable Environmental Costs for the period January 2013 - February 2013.

[2] - Used to allocate actual Variable Environmental Costs for the period March 2013 - December 2013. Reflects expiration of contract with Central Electric Power Cooperative.

[3] - Used to allocate projected Variable Environmental Costs for the period of January 2014 - April 2015.

SOUTH CAROLINA ELECTRIC & GAS COMPANY **ELECTRICITY**

ADJUSTMENT FOR FUEL AND VARIABLE ENVIRONMENTAL COSTS **RETAIL RATES**

APPLICABILITY

This adjustment is applicable to and is part of the Utility's South Carolina retail electric rate schedules.

The fuel and variable environmental costs, to be recovered in an amount rounded to the nearest one-thousandth of a cent per kilowatt-hour, will be determined by the following formulas:

$$F_C = \frac{E_F}{S} + \frac{G_F}{S_1}$$

$$F_{EC} = \frac{E_{EC} + G_{EC}}{S_2}$$

$$\text{Total Fuel Rate} = F_C + F_{EC}$$

Where:

F_6 = Fuel cost per kilowatt-hour included in base rate, rounded to the nearest one-thousandth of a cent.

E_F = Total projected system fuel costs:

(A) Fuel consumed in the Utility's own plants and the Utility's share of fuel consumed in jointly owned or leased plants. The cost of fossil fuel shall include no items other than those listed in Account 151 of the Commission's Uniform System of Accounts for Public Utilities and Licensees. The cost of nuclear fuel shall be that as shown in Account 518 excluding rental payments on leased nuclear fuel and except that, if Account 518 also contains any expense for fossil fuel which has already been included in the cost of fossil fuel, it shall be deducted from this account.

PLUS

(B) Fuel costs related to purchased power such as those incurred in unit power and limited term power purchases where the fossil fuel costs associated with energy purchased are identifiable and are identified in the billing statement. Also, the cost of "firm generation capacity purchases," which are defined as purchases made to cure a capacity deficiency or to maintain adequate reserve levels. Costs of "firm generation capacity purchases" includes the total delivered costs of firm generation capacity purchased and excludes generation capacity reservation charges, generation capacity option charges and any other capacity charges.

PLUS

(C) Fuel costs related to purchased power (including transmission charges), such as short term, economy and other such purchases, where the energy is purchased on an economic dispatch basis, including the total delivered cost of economy purchases of electric power defined as purchases made to displace higher cost generation at a cost which is less than the purchasing Utility's avoided variable costs for the generation of an equivalent quantity of electric power.

Energy receipts that do not involve money payments such as diversity energy and payback of storage energy are not defined as purchased or interchange power relative to this fuel calculation.

MINUS

(D) The cost of fuel recovered through intersystem sales including the fuel costs related to economy energy sales and other energy sold on an economic dispatch basis.

Energy deliveries that do not involve billing transactions such as diversity energy and payback of storage energy are not defined as sales relative to this fuel calculation.

S = Projected system kilowatt-hour sales excluding any intersystem sales.

G_F = Cumulative difference between jurisdictional fuel revenues billed and fuel expenses at the end of the month preceding the projected period utilized in E_F and S.

S_1 = Projected jurisdictional kilowatt-hour sales, for the period covered by the fuel costs included in E_F.

F_{EC} = Customer class variable environmental costs per kilowatt-hour included in base rates, rounded to the nearest one-thousandth of a cent.

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E_{EC} = The projected variable environmental costs including: a) the cost of ammonia, lime, limestone, urea, dibasic acid, and catalysts consumed in reducing or treating emissions, plus b) the cost of emission allowances, as used, including allowances for SO2, NOx, mercury and particulates minus net proceeds of sales of emission allowances, and c) as approved by the Commission, all other variable environmental costs incurred in relation to the consumption of fuel and air emissions caused thereby, including but not limited to environmental reagents, other environmental allowances, and emission related taxes. Any environmental related costs recovered through intersystem sales would be subtracted from the totals produced by subparts a), b), and c).

These environmental costs will be allocated to retail customer classes based upon the customer class firm peak demand allocation from the prior year.

G_{EC} = Cumulative difference between jurisdictional customer class environmental fuel revenues billed and jurisdictional customer class environmental costs at the end of the month preceding the projected period utilized in E_{EC} and S_2.

S_2 = The projected jurisdictional customer class kilowatt-hour sales.

The appropriate revenue-related tax factor is to be included in these calculations.

FUEL RATES BY CLASS

The total fuel costs in cents per kilowatt-hour by customer class as determined by the Public Service Commission of South Carolina in Order No. ____-___ are as follows for the period May, 2014 through April, 2015:

Customer Class	F_C Rate	+	F_{EC} Rate	=	Total Fuel Rate
Residential	3.325		0.079		3.404
Small General Service	3.325		0.066		3.391
Medium General Service	3.325		0.055		3.380
Large General Service	3.325		0.036		3.361
Lighting	3.325		0.000		3.325